REFERENCE TITLE: ABOR; membership; tuition increases

State of Arizona House of Representatives Forty-eighth Legislature Second Regular Session 2008

## **HB 2272**

Introduced by

Representatives Schapira, Ableser, Pancrazi: Anderson, Boone, Bradley, Brown, Campbell CH, Campbell CL, DeSimone, Farley, Pearce, Prezelski, Sinema, Tom, Ulmer, Weiers J

## AN ACT

AMENDING SECTIONS 15-1621 AND 15-1626, ARIZONA REVISED STATUTES; RELATING TO THE ARIZONA BOARD OF REGENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 15-1621, Arizona Revised Statutes, is amended to read:

## 15-1621. Members: appointment; terms: oath: immunity

- A. The Arizona board of regents consists of ten appointive members, including two student members, and the governor and the superintendent of public instruction as ex officio members.
- B. Appointive members, except the student members, shall be appointed by the governor pursuant to section 38-211. The term of each appointive member, except the student members, is eight years, to begin and end on the third Monday in January.
- C. The governor shall appoint two student members to serve staggered Each year the governor shall designate on a rotation basis a university under the jurisdiction of the Arizona board of regents to submit a list of nominees for the position of student member. The associated students' organization of the designated university, by majority vote of its governing body, shall select three nominees for student member. The governor shall consider the three nominees when making the appointment of the student member but may appoint any qualified student. Before adjournment of the regular session of the legislature, the governor shall submit to the senate for consent of the senate the name of the nominee for student member whose term is to begin on July 1. A student nominated for a full term may not serve until confirmed by the senate. A student member must be a person who is legally domiciled in this state and attends a university under the first year of the term The student member may exercise all rights and privileges of a board member, except the right to vote. In the second year of the term the student member may exercise all rights and privileges of a board member, including the right to vote. The term of each student member is two years, beginning on July 1. The governor may remove the student members for cause. A student member who graduates with no more than seven months remaining in the second year of a term may serve the remainder of the term. A vacancy in the office of student member shall be filled as follows:
- 1. If a vacancy occurs during the first year of a student member's term, the office shall be filled for the unexpired term. A student member nominated by the governor to fill a vacancy pursuant to this paragraph may serve the balance of the term without being confirmed by the senate.
- 2. If a vacancy occurs during the second year of a student member's term, the remaining student member shall assume all rights and privileges of a board member, including the right to vote. a new student member shall be nominated to a two year term to begin on July 1 as provided in this subsection.
- D. On expiration of the term in January 2008 of two members of the Arizona board of regents, the governor shall appoint two members who reside in a county with a population of less than eight hundred thousand persons

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pursuant to section 38-211. One member shall be selected from Apache, Coconino, Gila, Mohave, Navajo or Yavapai county and one member shall be selected from Cochise, Graham, Greenlee, La Paz, Pinal, Santa Cruz or Yuma county. Notwithstanding subsection B of this section, the initial term of one of the members appointed pursuant to this subsection shall be four years to begin and end on the third Monday in January. Thereafter, the governor shall appoint each member pursuant to this subsection for terms beginning on the third Monday of January of the year of the expiration of the term and ending on the third Monday of January eight years thereafter. This subsection does not preclude the governor from appointing more than two members who reside in a county with a population of less than eight hundred thousand persons at one time to the Arizona board of regents. The governor shall make subsequent appointments to replace the terms of members pursuant to this subsection in the same manner.

- E. ON EXPIRATION OF THE TERM IN JANUARY 2010 OF TWO MEMBERS OF THE ARIZONA BOARD OF REGENTS, THE GOVERNOR SHALL APPOINT ONE MEMBER WHO IS A FORMER FACULTY MEMBER OF A UNIVERSITY UNDER THE JURISDICTION OF THE BOARD. THE FORMER FACULTY MEMBER APPOINTED PURSUANT TO THIS SUBSECTION SHALL MEET ALL OF THE FOLLOWING CRITERIA:
- 1. HAVE PREVIOUSLY PROVIDED AT LEAST TEN YEARS OF INSTRUCTION AT A UNIVERSITY UNDER THE JURISDICTION OF THE BOARD.
- 2. HAVE BEEN A PROFESSOR OR THE CHAIRPERSON OF A DEPARTMENT AT A UNIVERSITY UNDER THE JURISDICTION OF THE BOARD.
- 3. NO LONGER BE ACTIVELY EMPLOYED BY A UNIVERSITY UNDER THE JURISDICTION OF THE BOARD.
- E. F. Each appointive member of the board shall take the oath of office before entering upon the duties of the member's office.
- F. G. Members of the board are immune from personal liability with respect to all acts done and actions taken in good faith within the scope of their authority during duly constituted regular and special meetings with approval of a majority of the board.
  - Sec. 2. Section 15-1626, Arizona Revised Statutes, is amended to read: 15-1626. General administrative powers and duties of board
  - A. The board shall:
- 1. Have and exercise the powers necessary for the effective governance and administration of the institutions under its control. To that end, the board may adopt, and authorize each university to adopt, such regulations, policies, rules or measures as are deemed necessary and may delegate in writing to its committees, to its university presidents, or their designees, or to other entities under its control, any part of its authority for the administration and governance of such institutions, including those powers enumerated in section 15-1625, subsection B, paragraphs 2 and 4, paragraphs 3, 4, 8, 9, 11 and 12 of this subsection and subsection B of this section. Any delegation of authority may be rescinded by the board at any time in whole or in part.

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- 2. Appoint and employ and determine the compensation of presidents with such power and authority and for such purposes in connection with the operation of the institutions as the board deems necessary.
- 3. Appoint and employ and determine the compensation of vice-presidents, deans, professors, instructors, lecturers, fellows and such other officers and employees with such power and authority and for such purposes in connection with the operation of the institutions as the board deems necessary, or delegate its authority pursuant to paragraph 1 of this subsection.
- 4. Remove any officer or employee when the interests of education in this state so require in accordance with its personnel rules and policies.
- 5. Fix tuitions and fees to be charged and differentiate the tuitions fees between institutions and between residents, nonresidents, undergraduate students, graduate students, students from foreign countries and students who have earned credit hours in excess of the credit hour threshold. For the purposes of this paragraph, the undergraduate credit hour threshold is one hundred fifty-five hours for students who attend a university under the jurisdiction of the board in fiscal year 2006-2007, one hundred fifty hours for students who attend a university under the jurisdiction of the board in fiscal year 2007-2008 and one hundred forty-five hours for students who attend a university under the jurisdiction of the board after fiscal year 2007-2008. The undergraduate credit hour threshold shall be based on the actual full-time equivalent student enrollment counted on the twenty-first day after classes begin for the fall semester of 2005 and every fall semester thereafter and any budget adjustment based on student enrollment shall occur in the fiscal year following the actual full-time equivalent student enrollment count. The undergraduate credit hour threshold shall not apply to degree programs that require credit hours above the credit hour threshold, credits earned in the pursuit of up to two baccalaureate degrees, credits earned in the pursuit of up to two state regulated licensures or certificates, credits earned in the pursuit of teaching certification, credits transferred from a private institution of higher education, credits transferred from an institution of higher education in another state, credits earned at another institution of higher education but that are not accepted as transfer credits at the university where the student is currently enrolled and credits earned by students who enroll at a university under the jurisdiction of the board more than twenty-four months after the end of that student's previous enrollment at a public institution of higher education in this state. On or before October 15 of each year, the board shall report to the joint legislative budget committee the number of students who were enrolled at universities under the jurisdiction of the board during the previous fiscal year who met or exceeded the undergraduate credit hour threshold prescribed in this paragraph. The amount of tuition, registration fees and other revenues included in the operating budget for the university adopted by the board as prescribed in paragraph 13 of this

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subsection shall be deposited, pursuant to sections 35-146 and 35-147. All other tuition and fee revenue shall be retained by each university for expenditure as approved by the board, except that the universities shall not use any tuition or fee revenue to fund or support an alumni association.

- 6. Except as provided in subsection H of this section, adopt rules to govern its tuition and fee setting process that provide for the following:
- (a) At least one public hearing at each university as an opportunity for students and members of the public to comment upon any proposed increase in tuition or fees.
- (b) Publication of the notice of public hearing at least ten days prior to the hearing in a newspaper of general circulation in Maricopa county, Coconino county and Pima county. The notice shall include the date, time and location of the public hearing.
- (c) Public disclosure by each university of any proposed increases in tuition or fees at least ten days prior to the public hearing.
- (d) Final board action on changes in tuition or fees shall be taken by roll call vote. IF A PROPOSED TUITION INCREASE EXCEEDS THE TUITION FOR THE PREVIOUS ACADEMIC YEAR AT THAT UNIVERSITY BY FIVE PER CENT OR MORE, THE FINAL BOARD ACTION TO APPROVE THE PROPOSED TUITION INCREASE REQUIRES AN AFFIRMATIVE VOTE OF TWO-THIRDS OF THE BOARD MEMBERS WHO ARE PRESENT AT THE PUBLIC HEARING. IF A PROPOSED INCREASE IN FEES EXCEEDS THE FEES FOR THE PREVIOUS ACADEMIC YEAR AT THAT UNIVERSITY BY TWO HUNDRED DOLLARS OR MORE, THE FINAL BOARD ACTION TO APPROVE THE PROPOSED INCREASE IN FEES REQUIRES AN AFFIRMATIVE VOTE OF TWO-THIRDS OF THE BOARD MEMBERS WHO ARE PRESENT AT THE PUBLIC HEARING.

The procedural requirements of subdivisions (a), (b), (c) and (d) of this paragraph apply only to those changes in tuition or fees that require board approval.

- 7. Pursuant to section 35-115, submit a budget request for each institution under its jurisdiction that includes the estimated tuition and fee revenue available to support the programs of the institution as described in the budget request. The estimated available tuition and fee revenue shall be based on the tuition and registration fee rates in effect at the time the budget request is submitted with adjustments for projected changes in enrollment as provided by the board.
- 8. Establish curriculums and designate courses at the several institutions which in its judgment will best serve the interests of this state.
- 9. Award such degrees and diplomas upon the completion of such courses and curriculum requirements as it deems appropriate.
- 10. Prescribe qualifications for admission of all students to the universities. The board shall establish policies for guaranteed admission that assure fair and equitable access to students in this state from public, private, charter and home schools. For the purpose of determining the qualifications of honorably discharged veterans, veterans are those persons

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who served in the armed forces for a minimum of two years and who were previously enrolled at a university or community college in this state. No prior failing grades received by the veteran at the university or community college in this state may be considered.

- 11. Adopt any energy conservation standards promulgated by the department of administration for the construction of new buildings.
- 12. Employ for such time and purposes as the board requires attorneys whose compensation shall be fixed and paid by the board. Litigation to which the board is a party and for which self-insurance is not provided may be compromised or settled at the direction of the board.
- 13. Adopt annually an operating budget for each university equal to the sum of appropriated general fund monies and the amount of tuition, registration fees and other revenues approved by the board and allocated to each university operating budget.
- 14. In consultation with the state board of education and other education groups, develop and implement a program to award honors endorsements to be affixed to the high school diplomas of qualifying high school pupils and to be included in the transcripts of pupils who are awarded endorsements. The board shall develop application procedures and testing criteria and adopt testing instruments and procedures to administer the program. In order to receive an honors endorsement, a pupil must demonstrate an extraordinary level of knowledge, skill and competency as measured by the testing instruments adopted by the board in mathematics, English, science and social studies. Additional subjects may be added at the determination of the board. The program is voluntary for pupils.
- 15. Require the publisher of each literary and nonliterary textbook used in the universities of this state to furnish computer software in a standardized format when software becomes available for nonliterary textbooks, to the Arizona board of regents from which braille versions of the textbooks may be produced.
- 16. Require universities that provide a degree in education to require courses that are necessary to obtain a provisional structured English immersion endorsement as prescribed by the state board of education.
- 17. Beginning July 1, 2007, acquire United States flags for each classroom that are manufactured in the United States and that are at least two feet by three feet and hardware to appropriately display the United States flags, acquire a legible copy of the Constitution of the United States and the Bill of Rights, display the flags in each classroom in accordance with title 4 of the United States Code and display a legible copy of the Constitution of the United States and the bill of rights adjacent to the flag.
- 18. To facilitate the transfer of military personnel and their dependents to and from the public schools of this state, pursue, in cooperation with the state board of education, reciprocity agreements with other states concerning the transfer credits for military personnel and their

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dependents. A reciprocity agreement entered into pursuant to this paragraph shall:

- (a) Address procedures for each of the following:
- (i) The transfer of student records.
- (ii) Awarding credit for completed course work.
- (iii) Permitting a student to satisfy the graduation requirements prescribed in section 15-701.01 through the successful performance on comparable exit-level assessment instruments administered in another state.
- (b) Include appropriate criteria developed by the state board of education and the Arizona board of regents.
- 19. Require a university to publicly post notices of all of its employment openings, including the title and description, instructions for applying and relevant contact information.
- B. The board shall adopt personnel rules. All nonacademic employees of the universities are subject to these rules except for university presidents, university vice-presidents, university deans, legal counsel and administrative officers. The personnel rules shall be similar to the personnel rules under section 41-783. The rules shall include provisions for listing available positions with the department of economic security, competitive employment processes for applicants, probationary status for new nonacademic employees, nonprobationary status on successful completion of probation and due process protections of nonprobationary employees after discharge. The board shall provide notice of proposed rule adoption and an opportunity for public comment on all personnel rules proposed for adoption.
- C. The board may employ legal assistance in procuring loans for the institutions from the United States government. Fees or compensation paid for such legal assistance shall not be a claim upon the general fund of this state but shall be paid from funds of the institutions.
- D. The board shall approve or disapprove any contract or agreement entered into by the university of Arizona hospital with the Arizona health facilities authority.
- E. The board may adopt policies which authorize the institutions under its jurisdiction to enter into employment contracts with nontenured employees for periods of more than one year but not more than five years. The policies shall prescribe limitations on the authority of the institutions to enter into employment contracts for periods of more than one year but not more than five years, including the requirement that the board approve the contracts.
- F. The board may adopt a plan or plans for employee benefits which allow for participation in a cafeteria plan that meets the requirements of the United States internal revenue code of 1986.
- G. The board may establish a program for the exchange of students between the universities under the jurisdiction of the board and colleges and universities located in the state of Sonora, Mexico. Notwithstanding subsection A, paragraph 5 of this section, the program may provide for in-state tuition at the universities under the jurisdiction of the board for

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fifty Sonoran students in exchange for similar tuition provisions for up to fifty Arizona students enrolled or seeking enrollment in Sonoran colleges or universities. The board may direct the universities to work in conjunction with the Arizona-Mexico commission to coordinate recruitment and admissions activities.

H. Subsection A, paragraph 6, subdivisions (a), (b), (c) and (d) of this section do not apply to fee increases that are set by individual universities and that do not require approval by the Arizona board of regents before the fee increase becomes effective.

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